

# Research on Accounting Audit Risk Factors and Informationization Audit Strategies

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**Abstract:** In today's digital era, the rapid development of information technology brings new opportunities and challenges to enterprise financial management. Accounting audit, as the core of financial management, is crucial for decision-making and stakeholders' trust due to its accuracy and efficiency. However, there are various risk factors in the accounting audit process, such as human errors and fraudulent activities, which may compromise the authenticity and transparency of financial information. Therefore, it is imperative to delve into these risk factors and propose effective informationization audit strategies to enhance the level of enterprise financial management, ensuring the accuracy and reliability of financial information.

**Keywords:** Accounting; Audit; Risk Factors; Informationization Audit; Strategy Research

## Introduction

This paper outlines the importance of accounting audit and its core role in enterprise financial management, focusing on analyzing the risk factors present in the accounting audit process, including human errors, fraudulent activities, system deficiencies, and information technology risks. In response to these risk factors, informationization audit strategies are proposed, including establishing a comprehensive informationization audit platform, strengthening data mining and analysis capabilities, enhancing auditors' information literacy, and improving internal control systems. These strategies aim to improve audit efficiency, ensure the authenticity and transparency of financial information, and provide robust guarantees for the steady operation of enterprises.

## 1. Overview of Accounting Audit

Accounting audit, as a core component of enterprise financial management, plays a crucial role in ensuring the authenticity and transparency of financial information. This process aims to uncover the true situation behind financial reports and verify whether they accurately depict the economic context of the enterprise. Specifically, accounting audit focuses on the authenticity and accuracy of key financial data such as assets, liabilities, equity, revenue, and expenses. Auditors use professional audit techniques and methods to scrutinize these data item by item to confirm whether they comply with recognized accounting principles and standards<sup>[1]</sup>. Accounting audit can be divided into two forms: internal audit and external audit. Internal audit is primarily conducted by the enterprise's own audit department, aiming to identify and rectify internal



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management and control issues. External audit, on the other hand, is performed by independent third-party organizations such as accounting firms, whose audit reports carry higher credibility and authority. The objectivity and impartiality of external audit are widely recognized, making it not only an important basis for investors and creditors' decisions but also a powerful tool for regulatory authorities to supervise and manage enterprises. Through accounting audit, the financial information of enterprises undergoes effective purification, providing clear and reliable decision support to various stakeholders.

## **2. Risk Factors in Accounting Audit**

### **2.1 Human Errors**

Human errors occupy a significant position in accounting audit and cannot be overlooked. This risk factor primarily stems from the subjectivity and limitations of auditors in performing audit tasks. As auditing is a highly specialized and complex task, it requires auditors to possess not only solid knowledge of accounting, auditing, and finance but also rich practical experience and keen professional judgment. However, in actual work, there may be differences in auditors' levels of professional knowledge, experience accumulation, and work attitudes. Some auditors may have insufficient understanding of accounting standards and systems, or lack sufficient understanding of the enterprise's business operations and industry characteristics, which may result in their inability to accurately identify and assess the financial risks and business substance of the enterprise during the audit process, leading to oversight or misjudgment of certain important matters. Additionally, auditors' work conditions and environment may also influence audit results. Prolonged work fatigue, high-pressure work environments, and poor team collaboration atmospheres may lead to errors or negligence in auditors' work.

### **2.2 Fraudulent Activities**

Fraudulent activities are another significant risk factor in accounting audit, referring to deliberate acts by enterprises or individuals to distort financial statement information through deception, concealment, forgery, etc., for certain adverse motives. The existence of fraudulent activities seriously undermines the authenticity and fairness of financial reports, misguides

decisions of stakeholders such as investors and creditors, and may even lead to serious economic consequences and legal liabilities. Fraudsters typically design schemes carefully, exploiting loopholes in accounting standards or regulatory gaps for manipulation and embellishment. Common fraudulent tactics include fictitious transactions to increase revenue or assets, concealing liabilities to reduce financial risks, manipulating profits to meet market expectations, etc. These tactics often involve collaboration across multiple links and departments, making fraudulent activities difficult to detect and expose individually. For auditors, identifying and disclosing fraudulent activities is an extremely challenging task. Due to the concealment and complexity of fraudulent activities, auditors need to employ professional audit techniques and methods, combined with in-depth understanding of the enterprise and professional judgment, to effectively detect traces of fraud.

### **2.3 System Deficiencies**

System deficiencies are a critical risk factor in accounting audit. The internal control system of an enterprise, as the first line of defense to ensure the authenticity and integrity of financial reports, is of paramount importance. However, when this system suffers from design flaws or lax implementation, it may pose hidden risks of significant misreporting in financial reports. Design flaws may manifest as inadequacies in internal approval processes. For example, certain critical business processes may lack necessary approval steps, or authorization settings may be unreasonable, allowing certain individuals to bypass normal approval procedures for irregular operations. These design loopholes often stem from insufficient understanding of enterprise business processes and risk control points or negligence in the system development process. Poor implementation is another manifestation of system deficiencies. Even if an enterprise's internal control system is well-designed, if it is not effectively implemented in practice, these systems are rendered ineffective. Reasons for poor implementation may include low personnel quality, insufficient emphasis by management on internal control, or lack of effective supervision and assessment mechanisms, etc. Whether it is design flaws or poor implementation, they may provide opportunities for fraudulent activities or errors

to occur.

#### **2.4 Information Technology Risks**

In the digital age, information technology has permeated various aspects of enterprise operations, including the field of accounting audit. (1) The security of information systems is an important component of information technology risks. Since financial data is typically stored in an enterprise's information systems, vulnerabilities in the system may become entry points for hacker attacks or unauthorized operations by internal personnel. Once the system is breached or internal personnel exploit vulnerabilities for illegal operations, it may lead to serious consequences such as leakage, tampering, or loss of financial data. (2) The stability and reliability of information systems are also important aspects of information technology risks. If the system has design flaws or operational instability, it may result in errors or abnormalities in the data processing process. For example, system crashes may lead to data loss or damage during processing; data errors may lead to distortion or misleading information in financial reports. These issues may have a negative impact on the accuracy of audit conclusions. (3) The development of information technology has also brought about new means and concealed methods of fraud. For example, using hacker technology to tamper with data or using encryption technology to conceal fraudulent activities, etc. These new fraudulent tactics often have higher levels of concealment and complexity, posing new challenges for auditors.

### **3. Informationization Audit Strategies**

#### **3.1 Establishment of a Comprehensive Informationization Audit Platform**

Establishing a comprehensive informationization audit platform is the core of informationization audit strategy. This platform should have the capability to collect, process, and analyze enterprise financial data in real-time to ensure the efficiency and accuracy of audit work. To achieve this goal, the construction of the platform needs to consider several aspects: (1) The platform should have comprehensive data integration capabilities. By connecting with various internal systems and databases of the enterprise, real-time collection and integration of financial data can be achieved. This not only ensures the timeliness

and accuracy of data but also avoids problems such as data silos and inconsistent information. (2) The platform should have powerful data processing and analysis capabilities. By utilizing advanced data processing techniques and algorithms, collected data can be cleaned, transformed, and loaded to form a structured and standardized data warehouse. (3) The platform should also have good user experience and operability. Through concise interface design and user-friendly operation processes, the difficulty and learning costs for auditors can be reduced. (4) Security and reliability of the platform are also important factors that cannot be ignored. The platform should adopt strict security measures and technical means to ensure the secure storage and transmission of data. Additionally, establishing sound data backup and recovery mechanisms ensures rapid restoration of normal operation and data security in the event of failures or accidents.

#### **3.2 Strengthening Data Mining and Analysis Capabilities**

In informationization audit, strengthening data mining and analysis capabilities is a key means to discover potential fraudulent behaviors and risk points. By employing advanced technologies such as big data and artificial intelligence, massive data can be deeply mined and analyzed to reveal patterns and trends hidden behind the data. (1) Data mining technology can be used to discover abnormal patterns and association rules. Through mining and analysis of historical data, auditors can identify abnormal transaction patterns, frequent large transactions, abnormal transactions with related parties, etc. These abnormal patterns may be signals or risk points of fraudulent behavior, requiring further investigation and verification. (2) Artificial intelligence technologies such as machine learning, deep learning, etc., can be used to build predictive models. Through training and learning historical data, models can predict future financial trends and risk situations. This helps auditors to identify potential risk points in advance and take corresponding measures. (3) Strengthening data mining and analysis capabilities also requires auditors to have corresponding skills and knowledge. Audit institutions should enhance the training and education of auditors, improving their information literacy and data analysis

capabilities. At the same time, actively introducing and cultivating professionals with backgrounds in data mining and analysis provides strong talent support for informationization audit.

### 3.3 Enhancing Auditors' Information Literacy

In the information age, auditors' information literacy directly affects the quality and efficiency of audit work. Enhancing auditors' information literacy is not only a basic requirement for adapting to informationization audit but also a key driver for promoting innovation and development in audit work. (1) Auditors need to master computer operation and network knowledge comprehensively. This includes familiarity with various operating systems, office software, network communication protocols, etc. (2) Database knowledge and data analysis skills are the core capabilities of informationization audit. Auditors need to understand the basic principles and structures of databases, master database query languages such as SQL, and be able to efficiently query, filter, and summarize large-scale data. Additionally, they should be familiar with basic methods and tools for data analysis, such as data mining, statistical analysis, etc., to extract valuable information from massive data, providing strong support for audit discovery and risk assessment. (3) Information security and network security knowledge are also essential skills for auditors. With the frequent occurrence of network attacks and data breaches, information security and network security have become issues that cannot be ignored in informationization audit. Auditors need to understand the basic concepts, principles, and protective measures of information security and network security, identifying and addressing potential security risks during the audit process.

### 3.4 Improving Internal Control Systems

Internal control systems are an important part of enterprise management and a crucial guarantee for informationization audit. (1) Enterprises should conduct comprehensive reviews and assessments of existing internal control systems. This includes reviewing the compliance, rationality, and effectiveness of various systems, identifying problems and deficiencies therein. Through in-depth analysis and diagnosis, enterprises can clarify improvement directions and goals. (2) Based on the evaluation results, systems should be

revised and improved. Enterprises should refine and optimize internal control systems based on business processes and risk points. During the revision process, information technology should be fully integrated into the systems, improving their executability and efficiency. For example, informationization can be used to achieve automated control and monitoring of business processes, reducing the possibility of human intervention and errors. (3) Establishing an effective internal control supervision mechanism is crucial to ensure system implementation. Enterprises should regularly inspect and evaluate the implementation of internal control systems to ensure their effective execution. Through supervision mechanisms, enterprises can timely identify problems in system implementation and take corresponding measures for correction and improvement. (4) Enterprises should also focus on continuous updating and improvement of internal control systems. As business operations evolve and external environments change, internal control systems also need to adapt and adjust continuously. Enterprises should establish dynamic updating mechanisms, regularly reviewing and revising systems to ensure they remain in line with actual conditions and needs.

## Conclusion

In conclusion, accounting audit plays a pivotal role in enterprise financial management. Faced with the complex and ever-changing business environment and emerging risk factors, enterprises must attach great importance to accounting audit work and adopt practical and effective informationization audit strategies. By establishing a comprehensive informationization audit platform, strengthening data mining and analysis capabilities, enhancing auditors' information literacy, and improving internal control systems, enterprises can significantly enhance the efficiency and quality of audit work, ensuring the authenticity and transparency of financial information. This not only helps enterprises make scientific and accurate decisions but also enhances the trust and support of stakeholders, laying a solid foundation for the long-term development of the enterprise.

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